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Division of Workforce Solutions  
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TO: Medical Assistance Handbook Holders

FROM: Gary Denis, Acting Director  
Bureau of Workforce Programs

Rick Zynda, Director  
Office of Nutrition Services and Program Integrity

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RE: MA Handbook Release 02-02

DATE: April 1, 2002

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EFFECTIVE DATE

Release and effective dates are on each page in the upper left-hand corner. The first is the release date; the second is the effective date. Policy changes are noted with a vertical line. Deletions are noted with a horizontal line.

Implement the instructions at application, review, and change, or, if you wish, earlier. If there is a different effective date or implementation schedule, it will be noted below.

The following changes are included in this release:

**CHANGES**

- 1.8.1 Louisiana was removed from the list of states that have a reciprocal agreement with Wisconsin.
- 1.9.0 Manually certify inmates of public institutions who leave for 24 hours or more and are otherwise eligible for Medicaid (MA), for the period of time s/he was outside of the public institution. This policy and process was incorporated from Ops Memo 01-87.
- 1.9.1 Use the process outlined in 1.9.1 for an inmate of a state correctional institution.
- 6.7.1 The CARES code MCWI was added to Brain Injury Waiver.
- The Hierarchy was updated to include PACE (MI P and MCWP), Partnership (MI R and MCWR), and Family Care. Institutional PACE (MI P) and Partnership (MI R) were added to both the MA Institutions cat needy and MA Institutions med needy. Waivers PACE (MCWP) and waivers Partnership (MCWR) were added in to the Community Waivers list. Family Care Non-MA was added to the end of the cascade.

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- 6.7.2 Family Care Non-MA was added to the end of the EBD cascade.
- 11.5.3 The statement about Life Insurance Funded Burial Contracts (LIFBC) premium amounts not exceeding the cost of the prearranged funeral was removed. This policy does not pertain to MA eligibility, but is a funeral industry regulation.
- 11.5.3.1 Apply the cash surrender value of irrevocably assigned LIFBCs to burial spaces, burial funds, and any itemized good or service that the client has purchased at fair market value. Apply divestment policy only to any remaining cash surrender value. The example was updated to reflect this change.
- 12.1.1 A reference to 24.2.0, a list of full-benefit MA subprograms, was added.
- A list of limited benefit MA subprograms was replaced with a reference to 24.3.0.
- 12.3.0 BadgerCare (BC) clients must meet the general MA nonfinancial criteria listed in the Initial Unit, in addition to the BC specific nonfinancial criteria listed in 12.3.0.
- 12.3.5.2 The dates in the example were updated to make the example more current.
- 12.8.2 Anyone can pay a BC premium for eligible members. Regardless of who pays the BC premium, the premium payor identified in CARES must be in the household. The BC premium coupon will be sent to the premium payor identified in CARES.
- 12.8.2.1 The Native American and Alaskan Native reduced premium policy was incorporated from Ops Memo 01-81.
- Some Native American and Alaskan Native tribal members are eligible for a reduced premium. EDS will send corrected coupons for those tribal members that have been identified by his/her tribal outreach worker as eligible for a reduced premium.
- 12.8.2.2 We updated the contact name and number for client questions about payment methods.
- We clarified that the worker should instruct the client to mail the EFT or Wage Withholding forms to the address listed on the form, once s/he has chosen a payment method.
- 12.8.2.4 Some Native American and Alaskan Native tribal members are eligible for a partial refund for premiums paid in the past. The Native American and Alaskan Native refund policy was incorporated from Ops Memo 01-81.

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- 12.8.5.1 You will be notified through an alert in CARES if a BC client's premium payment is rejected for insufficient funds. Close the client for non-payment, and apply a restrictive re-enrollment period (RRP), unless good cause exists. Process any overpayments.
- 14.5.0 Effective 1/1/02, the average nursing home private pay rate, used to determine the length of MA divestment penalty periods, was increased from \$4,075 to \$4,292. This change was communicated in Ops Memo 01-86.
- The example was changed to reflect the change in the average nursing home private pay rate.
- 15.6.0 Use the self-declared gross income amount when a client is **only** applying for MA. Do not consider the monthly declared amount "questionable" on the basis of lack of detail regarding hours of work and pay rate per hour. If the client is applying for any other program of assistance in addition to MA, determine eligibility using the appropriate income calculation listed in 15.6.0.
- 19.7.2 Effective 1/1/02, the TB income limit for one person was increased from \$1,147 to \$1,175. This change was communicated in Ops Memo 01-83.
- 20.8.3 This appendix was rearranged to facilitate the incorporation of the following sections:
- 20.8.3.1 Payment of Entire Deductible Amount
  - 20.8.3.2 Combination of Payment and Incurred Expenses
  - 20.8.3.3 Combination of Payment and Outstanding Expenses
  - 20.8.3.4 Calculation Errors
  - 20.8.3.5 Insufficient Funds
- 20.8.3.1, 20.8.3.2, 20.8.3.3
- Old Policy:  
If a client pays his/her deductible, eligibility begins on the date the entire deductible is paid.
- New Policy:  
If a client pays his/her deductible in full, eligibility begins on the first date of the deductible period.
- If the deductible is met through a combination of payment and incurred expenses, eligibility begins on the date the expense was incurred which equals the balance of the deductible.
- If the deductible is met through a combination of payment and outstanding expenses, eligibility begins on the first date of the deductible period.

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- 23.6.0 The community spouse income allocation excess shelter amounts changed from \$1,935.00 to \$1,990.00 and \$580.50 to \$597.00.
- The family member income allowance amount increased to \$497.50.
- 24.0.0 This appendix was rearranged to facilitate the incorporation of the following sections:
- 24.1.0 Introduction
  - 24.2.0 Full-Benefit MA
  - 24.3.0 Limited Benefit MA
- 24.4.0 This section was expanded to include examples of covered services.
- 25.9.1 A reference to 24.2.0, a list of full-benefit MA subprograms, was added.
- A list of limited benefit MA subprograms was replaced with a reference to 24.3.0.
- 27.13.0 The Buy-In Analyst number was changed. It is 221-4746, extension 3107.
- 28.4.0 The FFU limits changed based on FPL changes.
- 29.1.0 Wisconsin Well Woman Medicaid begin date information was added.
- 30.6.0 Effective 4/1/02, the following income limits changed based on FPL Changes:
- Healthy Start for pregnant women, children under 6, and children 6 through 18.
  - BadgerCare income limits and premium payment limits.
  - MAPP income limits and premium payment limits.
- 33.2.1 Clients can choose to begin Medicaid Purchase Plan (MAPP) eligibility during any retroactive or future month that can be processed in CARES.
- 33.3.0 MAPP clients must meet the general MA nonfinancial criteria listed the Initial Unit, in addition to the MAPP specific nonfinancial criteria listed in 33.3.0.

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- 33.4.1.3 If a client with an approved Independence Account loses MAPP eligibility, the exempt portion of the account (as of the date eligibility ends) is exempt for future MAPP application(s). The entire balance is a countable asset for all other MA subprograms.
- 33.4.2 Include the client's natural or adoptive dependent children when determining fiscal test group size. Do not include the client's stepchildren.
- 33.5.1.1 Apply Independence Account premium penalties only to clients who would otherwise owe monthly premiums. An example was added to effectively communicate the policy.
- 33.5.2 Before eligibility is confirmed, the client must pay applicable premiums for initial benefit month(s) and for any backdate months for which the client elects coverage. An example was added to effectively communicate the policy.
- 33.5.6.1 You will be notified through an alert in CARES if a BC client's premium payment is rejected for insufficient funds. Close the client for non-payment, and apply a restrictive re-enrollment period (RRP), unless good cause exists. Process any overpayments.
- 33.5.7 Do not impose a RRP if a client chooses to decline MAPP coverage prior to the beginning of the benefit month. However, s/he must pay any premium due for the month in which s/he received coverage before eligibility can resume. An example added to effectively communicate the policy.
- MAPP Premium Calculation Worksheet References to the income limits chart and the MAPP premium schedule were added. FPL and the premium schedule were removed from the back of this worksheet.
- 39.0.0 The nonfinancial requirements for Wisconsin Well Woman Medicaid include that the woman must be at least 35 years old but under age 65. This information is collected in the Wisconsin Well Woman Program (WWWP) screening. Refer any woman that is not within this age range back to the WWWP Local Coordinating Agency and send a manual negative notice.
- The Wisconsin Well Woman Medicaid policy was incorporated from Ops Memo 01-84.

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### **Handbook Maintenance**

1. Appendix Table of Contents: Replace pages 1 - 2, 9 - 10, 15 - 29 with the new pages.
2. Appendix 1.0.0: Replace pages 5 - 7 with the new pages.
3. Appendix 6.0.0: Replace pages 13 - 16 with the new pages.
4. Appendix 11.0.0: Replace pages 5 - 12 with the new pages.
5. Appendix 12.0.0: Remove the current appendix and replace with the new one.
6. Appendix 14.0.0: Replace pages 9 & 10 with the new pages.
7. Appendix 15.0.0: Replace page 21 with the new page.
8. Appendix 19.0.0: Replace pages 7 & 8 with the new pages.
9. Appendix 20.0.0: Replace pages 13 - 18 with the new pages.
10. Appendix 23.0.0: Replace pages 7 - 13 with the new pages.
11. Appendix 24.0.0: Remove the current appendix and replace with the new one.
12. Appendix 25.0.0: Replace pages 5 - 9 with the new pages.
13. Appendix 27.0.0: Replace pages 5 - 8 with the new pages.
14. Appendix 28.0.0: Replace pages 3 & 4 with the new pages.
15. Appendix 29.0.0: Remove the current appendix and replace with the new one.
16. Appendix 30.0.0: Replace 30.6.0 with the new page.
17. Appendix 33.0.0: Replace pages 1 - 14 with the new pages. Replace the MAPP Premium Calculation Worksheet with the new one.
18. Appendix 39.0.0: Add to the Handbook after Appendix 38.0.0.